



**MCI Telecommunications  
Corporation**

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November 1, 1996

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

Mr. William F. Caton  
Secretary  
Federal Communications Commission  
1919 M Street, N.W.  
Washington, D.C. 20554

Re: Implementation of the Non-Accounting Safeguards of  
Sections 271 and 272 of the Communications Act of 1934,  
as amended; and Regulatory Treatment of LEC Provision of  
Interexchange Services Originating in the LEC's Local  
Exchange Area, CC Docket No. 96-149

Dear Mr. Caton:

On September 30, 1996, Donald J. Elardo, Kim Kirby, Anthony C. Epstein and I, representing MCI Telecommunications Corporation (MCI), met with Linda Kinney, Radhika V. Karmarkar, Cheryl A. Leanza, Michelle M. Carey and Sarah E. Whitesell of the Policy and Program Planning Division to discuss MCI's position in the above-captioned proceeding. During that meeting, the Commission staff attendees requested MCI to provide further detail on its position regarding the need for additional reporting requirements.

As discussed at the meeting, Sections 272(c)(1) and 272(e) require that a BOC not discriminate between its interLATA affiliate and any other entity in the provision or procurement of goods, services, facilities, and information and, specifically, Section 272(e)(1) requires that a BOC "fulfill any requests from an unaffiliated entity for telephone exchange service and exchange access within a period no longer than the period in which it provides such telephone exchange service and exchange access to itself or to its affiliates." In order to implement and enforce those requirements, BOCs should be required to report their response times to certain key service requests, generally in the same manner as is now required for the ARMIS service quality reports for local and exchange access services and the Computer III installation and maintenance reports for BOC enhanced services.

Such reporting should be automated, in the same manner as ARMIS reports, except that such reporting should be on a quarterly basis, as was required for the ARMIS 43-05 report before this year, rather than an annual basis, as is required for



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the ARMIS 43-05 report now. Given that the BOCs are going to be competing with IXCs and other service providers in much larger markets and on a wider scale than ever before, the incentives to discriminate are vastly greater, increasing the potential for harm exponentially and thus the need for more current monitoring. Such reports could also be submitted electronically in other ways as well, such as through the Internet, if automated reporting in the manner of ARMIS is not feasible. Finally, the independent audits required by Section 272(d) should include an investigation and verification that the procedures used by the BOCs to comply with these reporting requirements generate accurate and complete reports.

Because of the specific requirements of the Section 272 safeguards, the data that is called for should be broken out to a greater extent than is now required under ARMIS or by Computer III. Since Section 272(e)(1) requires that services be provided to unaffiliated entities "within a period no longer than" the time it takes to provide such services "to itself or to its affiliates," the data that is reported for each type of service request must be broken out three ways: unaffiliated entities; the BOC's own operations; and its affiliate's operations. Such a breakdown would be analogous to the Computer III data requirements, which require service installation, repair and maintenance intervals to be reported for the BOC's own enhanced service operations and all others separately.

There should also be reporting related to billing and payment requirements. Differences between the BOC's affiliate and all others in the BOC's accuracy of billing for its services and in the requirements for the payment of bills can rise to discrimination in the provision of services and provision of services on different terms and conditions, in violation of Section 272(c) and (e).

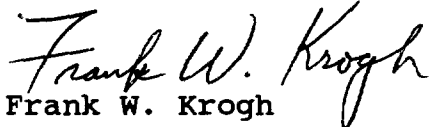
Attached is a chart itemizing the current ARMIS reporting requirements and showing what additional information is necessary in each category. For most of the types of data listed, the additional information consists of a further breakdown -- for the BOC, its affiliate and all others -- of information that the BOC is already required to provide. Where additional data categories, similar to those already required, are necessary, the chart indicates the analogous category already required by ARMIS. In only two cases, involving billing and payment terms, are entirely new types of data necessary. Thus, the reporting requirements proposed by MCI would not significantly add to the BOCs' current reporting burdens, and the additional burden would be far less than the additional harm that could result from a

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failure to monitor these indicia of BOC conduct under Sections 272(c) and (d).

Two copies of this letter and attachment are being submitted. Please include a copy in the public record of this proceeding.

Yours truly,

  
Frank W. Krogh

cc: Linda Kinney  
Radhika V. Karmarkar  
Cheryl A. Leanza  
Michelle M. Carey  
Sarah E. Whitesell

Criterion	ARMIS 43-05	Comments
Local Service Installation Interval	<p>Already report: TABLE II - INSTALLATION AND REPAIR INTERVALS (Local Service)</p> <p>INSTALLATION INTERVALS: Line 0130: Total Number of Circuits or Orders Line 0132: % Commitments Met Line 0134: Average Interval</p>	Must be broken out among BOC, affiliate, other
Additional Line Installation Interval		<p>Analogous to ARMIS 43-05 Installation Intervals</p> <p>Must be broken out among BOC, affiliate, other</p>
Custom Calling Installation Interval		<p>Analogous to ARMIS 43-05 Installation Intervals</p> <p>Must be broken out among BOC, affiliate, other</p>
Local Carrier Change Interval		<p>Analogous to ARMIS 43-05 Installation Intervals</p> <p>Must be broken out among BOC, affiliate, other</p>
Exchange Access Service Trunk/Transport Installation Interval (DS1/DS3/SONET/Dark Fiber)	<p>Already report: TABLE I - INSTALLATION AND REPAIR INTERVALS (Interexchange Access)</p> <p>INSTALLATION INTERVALS: Line 0110: Total Number of Orders or Circuits Line 0112: % Commitments Met Line 0114: Average Interval (in days) (reported separately for switched and special access)</p>	<p>Must be broken out among BOC, affiliate, other</p> <p>Must report DS1/DS3/SONET/Dark Fiber only (combined special and switched access data)</p>

PIC Change Interval		<p>Analogous to ARMIS 43-05 Installation Intervals</p> <p>Must be broken out among BOC, affiliate, other</p>
Local Service Average Repair Interval	<p>Already report: TABLE II - INSTALLATION AND REPAIR INTERVALS (Local Service)</p> <p>INITIAL TROUBLE REPORTS Line 0145: Out of Service Rpair Interval Line 0147: All Other Rpr. Interval</p>	<p>Must be broken out among BOC, affiliate, other</p>
Local Service Initial Trouble Reports	<p>Already report: TABLE II - INSTALLATION AND REPAIR INTERVALS (Local Service)</p> <p>INITIAL TROUBLE REPORTS Line 0141: Initial Trouble Reports Line 0144: Out of Service Trouble Reports Line 0146: All Other Trouble Reports</p>	<p>Must be broken out among BOC, affiliate, other</p>
Local Service Repeat Troubles as a percent of initial trouble reports	<p>Already report: TABLE II - INSTALLATION AND REPAIR INTERVALS (Local Service)</p> <p>INITIAL TROUBLE REPORTS Line 0141: Initial Trouble Reports</p> <p>REPEAT TROUBLE REPORTS: Line 0142: Repeat Trouble Reports</p>	<p>Must express the ratio of Line 142 to Line 0141 as a percentage</p> <p>Must be broken out among BOC, affiliate, other</p>

Percentage of interexchange access trunk groups exceeding an industry standard for blocking	<p>Already report: TABLE III - TRUNK BLOCKAGE</p> <p>Line 0189: FGD Groups Exceeding Design Blocking Objective for 3 months Line 0190: Other Groups Exceeding Design Blocking Objective for 3 months</p>	<p>Must express the ratio of Lines 189 or 190 to Line 180 (Total Trunk Groups) or Line 181 (Groups Measured) as a percentage</p> <p>Must be broken out among BOC, affiliate, other</p>
Number of reports of Exchange Access common transport busy hour blocking		<p>Analogous to ARMIS 43-05 Blocking Report</p> <p>Must be broken out among BOC, affiliate, other</p>
Number of reports of local interconnect busy hour blocking		<p>Analogous to ARMIS 43-05 Blocking Report</p> <p>Must be broken out among BOC, affiliate, other</p>
Exchange Access Service Average Repair Interval	<p>Already report: TABLE 1 - INSTALLATION AND REPAIR INTERVALS (Interexchange Access)</p> <p>REPAIR INTERVALS: Line 0121: Average Interval (in hours)</p>	<p>Must be broken out among BOC, affiliate, other</p>
Percentage of exchange access circuit failures within 30 days of installation		<p>Analogous to ARMIS 43-05 Repair Interval reporting</p> <p>Must be broken out among BOC, affiliate, other</p>
Billing disputes, measured in amount in dispute and as a percentage of billed revenue		<p>New Requirement</p> <p>Must be broken out among BOC, affiliate, other</p>

Payment intervals for wholesale services and unbundled elements		<p>New Requirement</p> <p>Must be broken out among BOC, affiliate, other</p>
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